



Jeannette B. DeJesús
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OFFICE OF HEALTH REFORM & INNOVATION
STATE OF CONNECTICUT

Basic Health Plan Work Group

Meeting
October 15, 2012
2:00pm-3:30pm
Legislative Office Building, Room 1B

Minutes

Members Present: Jeannette DeJesús, Pat Baker, Kevin Counihan, Margaret Flinter, Anne Foley, Sen. Terry Gerratana, David Henderson, Jennifer Jackson, Sharon Langer, Jane McNichol, Katharine Lewis (for Jewel Mullen), Deb Polun, Pat Rehmer, Matt Salner, Vicki Veltri, Katharine London

Members Absent: Uma Ganesan, Sen. Anthony Musto, Rep. Betsy Ritter, Rep. Peter Tercyak, Susan Walkama, Joan Feldman, Bobbi Schmidt, Robert Seifert

Welcome and Introductions

Jeannette DeJesús opened the meeting by welcoming everyone. Members introduced themselves.

Public Comment

There was no public comment.

Approval of Minutes of the September 24 Meeting

The minutes of the September 24 meeting were approved.

Presentation by Milliman Actuarial Consultants

David Williams of Milliman introduced Jeremy Palmer of Milliman's Indianapolis office, who is conducting the actuarial analysis for the BHP. Mr. Palmer joined the meeting by phone and delivered a presentation describing the analysis. Mr. Palmer began by reviewing the questions which Milliman has been asked to answer in its actuarial analysis. He then described the financial modeling approach for the analysis, which seeks to assess and balance the sources and uses of funds for a potential BHP. Mr. Palmer outlined the four primary modeling assumptions that will guide the analysis: the premium for the second-lowest cost Silver plan in the Exchange (on which the BHP federal subsidy would be based); the base cost of a potential BHP; scenarios for reimbursement, benefits, and member costs; and the eligible population and their potential take-up rates. He described several considerations underlying each of these assumptions. Mr. Palmer concluded by mentioning several policy issues which could impact the modeling and actuarial analysis.

[Mr. Palmer's presentation is posted on the Basic Health Plan Work Group page on the Office of Health Reform & Innovation website.](#)

Discussion of Questions on Provider Payment

Katharine London made a presentation about provider payment issues related to a potential BHP. She first spoke about the level of Medicaid payment rates compared to those of Medicare and commercial insurers. Medicaid rates are lower than Medicare and commercial rates for most services and providers. Ms. London then discussed several types of payment methods, including fee-for-service, episodic payment, and global budget, and gave examples of organizations which use these methods. She concluded her presentation by discussing studies which looked at the effect of Medicaid payment rates on commercial rates within hospitals. The studies each had different findings and conclusions after looking at this question.

[Ms. London's presentation is posted on the Basic Health Plan Work Group page on the Office of Health Reform & Innovation website.](#)

Federal Guidance on Basic Health Plan

Ms. DeJesús said that Governor Malloy had written a letter to the Kathleen Sebelius, Secretary of the US Department of Health & Human Services, seeking federal guidance on the BHP.

[The Governor's letter is posted on the Basic Health Plan Work Group page on the Office of Health Reform & Innovation website.](#)

Adjournment

The meeting was adjourned at 3:15pm.